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## INFORMATION REPORT

~~SECRET~~COUNTRY Germany (Russian Zone) **CONFIDENTIAL**

DATE DISTR. 31 August 1948

SUBJECT Increase of Steel Production

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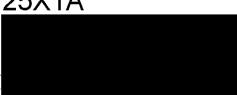
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SUPPLEMENT TO  
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1. During the first zonal meeting of officials of socialized plants, held recently in Leipzig, Fritz Selbmann of the German Economic Commission (DWK) declared that the total capacity of steel casting foundries in the Soviet zone amounts at present to 2,000 tons of steel castings a month; but that, in order to meet requirements, it was imperative that the output be increased by at least 1,100 tons a month. This in turn, he said, calls for an increase in capacity of the Bessemer plants from 520 to 900 tons, of the Siemens-Martin furnaces from 830 to 1,200 tons, and of the electro-power units from 650 to 1,000 tons a month.

2. In order to achieve this production increase, the Department of Machine Construction of the DWK plans

- a. to transfer to the Eisenwerk Groeditz (Z 92) several Siemens-Martin furnaces from the Stahlwerke Riesa and one from the Meier & Weichelt plant;
- b. to install in the Stahlwerke Hennigsdorf (Z 76) and Ketschendorf a five-ton electro-casting furnace;
- c. to remove Bessemer converters from concerns not fully operating and to install them in plants in need of such converters.

3. The Two-Year Plan for the metallurgical industry in the Soviet zone of Germany foresees, according to Fritz Selbmann, an increase in the production of

crude steel to	875,000 tons a year
cast iron to	360,000 tons a year, and
rolling-mill products to	650,000 tons a year.

4. The principal plants to be enlarged in conformity with the expansion program are

- a. The Maxhuette in Unterwellenborn, whose four blast furnaces are to be overhauled. The work is expected to be finished in 1949, at which time the plant will be in a position to

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Date: 9 May 78 By: 033

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raise its production of Thomas pig-iron to 300,000 tons and of foundry pig-iron to 70,000 tons a year.

- b. The Stahlwerk Hennigsdorf will be equipped by 30 September 1948 with two additional furnaces of a capacity of 80 tons each, thereby increasing the yearly capacity to 150,000 tons a year. After completion of the east lane (Blockstrasse) during the fourth quarter of 1948, the production will be raised to 200,000 tons. Two new rolling mills for fine iron will be opened, presumably during the first quarter of 1949, with a total capacity of 120,000 tons a year. In addition, a wire block (Drahtstrasse) with a yearly capacity of 30,000 tons is to be finished toward the end of 1949.
- c. The Stahlwerke Riesa (E 81) will be equipped by the middle of 1949 with four Siemens-Martin furnaces of 100 tons capacity each, and will be able to produce 250,000 tons of raw steel a year. Two rolling mills for fine iron are scheduled to start operating in the middle of 1949 with a capacity of 200,000 tons a year.
5. The expansion program of the steel and rolling-mill industry of Saxony, based on order 250 of the SMA Saxony, will require RM 44,336,000. This amount covers the costs for the enlargement of the Stahlwerke Riesa, a socialized concern, for an increase in production to 250,000 tons of steel a year, and also of the subsidiary plant near Riesa of the Eisenwerk Groeditz and of the Stahlwerke Coswig/Elbe, as well as the construction of two new sheet-steel rolling mills in Rue and Gruenthal/Erzgebirge.

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